

30889
EB

SERVICE DATE - APRIL 6, 2000

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. MC-F-20964

LAIDLAW INC.--CONTINUANCE IN CONTROL--THE GRAY LINE OF VICTORIA LTD.

AGENCY: Surface Transportation Board.

ACTION: Notice Tentatively Approving Finance Transaction.

SUMMARY: In an application filed under 49 U.S.C. 14303, Laidlaw Inc. (Laidlaw), a noncarrier, seeks approval of its continuance in control of The Gray Line of Victoria Ltd. (Gray Line) upon Gray Line's becoming a regulated motor carrier of passengers. Persons wishing to oppose the application must follow the rules under 49 CFR 1182.5 and 1182.8. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

DATES: Comments must be filed by May 22, 2000. Applicant may file a reply by June 6, 2000. If no comments are filed by May 22, 2000, this notice is effective on that date.

ADDRESSES: Send an original and 10 copies of any comments referring to STB Docket No. MC-F-20964 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to applicant's representative: Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005-3934

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar, (202) 565-1600. [TDD for the hearing impaired: 1-800-877-8339].

SUPPLEMENTARY INFORMATION: Laidlaw controls Gray Line through Laidlaw Transit Ltd. (Laidlaw Ltd.), which is authorized to transport passengers, in charter and special operations, pursuant to authority in No. MC-102189. Gray Line conducts charter and special passenger carrier operations within Canada. Laidlaw seeks authority to continue in control of Gray Line through Laidlaw Ltd. upon Gray Line's becoming a regulated carrier pursuant to an application it has filed with the Federal Highway Administration.

Laidlaw currently controls 23 motor carriers of passengers, including Greyhound Lines, Inc. (Greyhound) (MC-1515), which Laidlaw considers its domestic flagship carrier.¹ The controlled carrier's operations, with the exception of those of Greyhound, are largely limited to charter and special operations within the United States. Greyhound conducts mainly nationwide, scheduled regular-route operations.

Laidlaw asserts that, because Gray Line is an experienced and well regarded carrier that has established contacts with hotels, tourist attractions, and other institutions, the addition of Gray Line to the Laidlaw family of regulated carriers will contribute significantly to the breadth of services that Greyhound and the other Laidlaw affiliates will be able to provide the public. Laidlaw maintains also that the proposed transaction will inure to the benefit of Gray Line's passengers. This benefit is expected to partly take the form of reasonable fares, in view of the access to the financial resources and expertise of the Laidlaw system that Gray Line will have following the transaction.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction we find consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

Applicant has submitted the information required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Specifically, applicant has shown that the proposed transaction will have a positive effect on the adequacy of transportation to the public and will result in no increase in fixed charges and no changes in employment. See 49 CFR 1182.2(a)(7). Additional information may be obtained from applicant's representative.

On the basis of the application, we find that the proposed transaction is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated, and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

¹ Greyhound controls 9 of the 23 carriers.

It is ordered:

1. The proposed continuance in control is approved and authorized, subject to the filing of opposing comments.
2. If timely opposing comments are filed, the findings made in this decision will be deemed as having been vacated.
3. This decision will be effective on May 22, 2000, unless timely opposing comments are filed.
4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration - HMCE-20, 400 Virginia Avenue, S.W., Suite 600, Washington, DC 20024; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Decided: April 3, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams
Secretary